



**AMENDMENT NO. 3 TO THE AGREEMENT**  
**WITH**  
**DP2 Billing Solutions, LLC dba DataProse, Inc.**  
**FOR**  
**UTILITY BILLING SERVICES**

This Amendment is entered into this 20th day of May, 2014, by and between the City of Milpitas, a municipal corporation of the State of California (hereafter referred to as "CITY") and **DP2 Billing Solutions, LLC, a Texas limited liability company dba DataProse, Inc.** (hereafter referred to as "CONTRACTOR").

**RECITALS**

WHEREAS, on August 21, 2007, the City Council authorize the award of a three year agreement, with option to renew for three one-year extensions to DataProse, Inc. for utility billing services; and

WHEREAS, on August 21, 2007, the parties entered into an Agreement for citywide utility billing services in the annual not-to-exceed amount of Eighty-One Thousand dollars (\$81,000) ("Agreement"); and

WHEREAS, on June 30, 2010, the parties entered into Amendment No.1 to the Agreement to acknowledge the acquisition of DataProse Inc. by CSG Systems, Inc. and exercising the first year extension from July 1, 2010 through June 30, 2011; and

WHEREAS, on April 17, 2013, the parties entered into Amendment No. 2 to the Agreement to extend the term of the Agreement from July 1, 2013 to June 30, 2014 in the amount not to exceed Eighty-One Thousand dollars (\$81,000); and

WHEREAS, on July 1, 2013, the parties entered into an Assumption Agreement to allow DP2 Billing Solutions, LLC, a Texas limited liability company dba Dataprose to assume the terms, conditions, and liabilities under the Agreement; and

WHEREAS, the parties desire to further amend the Agreement to extend the term from July 1, 2014 through June 30, 2015 with a revised scope of services in the amount of Fifty-Six Thousand Five Hundred dollars (\$56,500) for a total eight year contract amount not-to-exceed Six Hundred Twenty-Three Thousand Five Hundred dollars (\$623,500).

NOW THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties agree to amend the Agreement as follows:

1. Section 1 1.1 of the Agreement entitled "Term of Services" is amended in its entirety to read as follows:

1.1 Term of Services. The term of this Agreement shall begin on the date first noted above as August 21, 2007 with four one year options to

renew through June 30, 2015, based on satisfactory performance by the Consultant. Consultant shall complete all the work described in the Scope of Work prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.

2. Section 1.3 of the Agreement entitled "Scope of Consultant's Duties and Services" is amended to add the following:

The scope of Consultant's duties and services for the contract term July 1, 2014 through June 30, 2015 is set forth in EXHIBIT A-1 which is attached hereto to Amendment No. 3 and incorporated by reference.

3. Section 2 of the Agreement entitled "COMPENSATION" is amended to add the following:

Compensation for the contract term consisting of July 1, 2014 through June 30, 2015 shall not exceed Fifty-Six Thousand Five Hundred dollars (\$56,500) in accordance with unit pricing described more fully in EXHIBIT B-1 of this Amendment No. 3.

4. CONSULTANT agrees to maintain and pay for all insurance policies as stated in Section C, entitled "Insurance Coverage Requirements for Professional Services" of the Agreement, between CONSULTANT and the CITY. CONSULTANT shall provide the CITY with renewal certificates of the current policies upon expiration of the current policy.

5. All other provisions of the Agreement not amended by this Amendment No. 3 shall remain in full force and effect.

This Amendment is executed as of the date written above.

APPROVED BY:

CITY OF MILPITAS

DP2 Billing Solutions, LLC

\_\_\_\_\_  
Thomas C. Williams, City Manager

\_\_\_\_\_  
Curtis Nelson, Chief Operating Officer

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

\_\_\_\_\_  
Michael J. Ogaz, City Attorney

\_\_\_\_\_  
Jane Corpus, City Project Manager

## **SCOPE OF WORK AND REQUIREMENTS**

### **Document Design**

The City requires the design of the utility statement is professional looking, and easy to understand. The same design can be used for both the original bill statements and reminder notices. The statement should be flexible enough to accommodate single account bills and multiple accounts consolidated bills and sufficient space to include information on the front and the back. The statement should include a scan-able pay stub to enable payment by check and bar coding for postal mailing and payment processing. The use of color, graphics, and icons is encouraged.

### **System and Software**

The City requires a secure transmission of billing data to the vendor. The Contractor must be able to provide secure web and/or sFTP file transfer options for upload of the billing file for processing. The City expects the vendor's software to be able to handle Extended Markup Language (XML) file and fixed length text file to accommodate accounts with multiple service locations. The City must be able to log into the Vendor's server and transmit the files as needed. The City must have the ability to view and approve sample bills online before they are printed and mailed. Vendor must be able to provide reports via a secure portal which requires username, password and SSL to access.

The Contractor must send via email a File Confirmation Report – to confirm receipt of file transmission.

The Contractor must be Payment Card Industry (PCI) Full Compliance, including the Visa Cardholder Information Security Program (CISP) and MasterCard Site Data Protection (SDP). Contractor must submit annually the Statement on Standards for Attestation Engagement (SSAE) No. 16 (SOC1) Audit. The Contractor must be Federal Trade Commission's Red Flags Rule Compliance. Contractor must provide information about its Disaster Recovery policy and Information security. Contractor must have out-of-state Disaster Recovery support. The Contractor must have a disaster recovery facility to process the City's bills if the main facility becomes inoperable. Provide locations and information about these facilities.

The Contractor must provide necessary security to protect the City's data from unauthorized access. Please provide details about the security measures that are in place. Include procedures for ensuring that only authorized persons are admitted to the production floor.

The Contractor must be able to provide an independent test report stating the application is free from known security defects.

The Contractor must allow site visits by City personnel.

## **Document Printing**

The City prefers to take advantage of volume discounts in the printing of the forms and envelopes; consequently may require storage of the forms by the Contractor until they are needed for production. The City requires consistent print registration and quality so that the imaged billing data falls correctly into appropriate locations on the forms.

The Contractor must be able to reproduce the preprinted and perforated paper stock that can match or exceed the quality of the current stock and provide the same number of preprinted colors.

The Contractor must have the capability to suppress the printing of bills and/or envelopes for certain customers, based on City requirements.

The Contractor must have the capability to print messages, logos and usage history graphs, and multiple page bills as needed.

The Contractor must confirm the file counts of bills/statements produced and mailed immediately after processing is complete. The data is the sole property of the City of Milpitas and will not be used by the vendor for any other purpose without prior written authority.

## **Mailing Services**

The City requires the accurate insertion of items into the mailing envelopes. Some commercial accounts may require two or more pages due to consolidated statements. From time to time, the City may provide additional inserts to be included in the mailing. The Contractor must accept inserts printed by other vendors (please provide insert specifications). The City also requires certain inserts to be included with selected bills – for example residential related inserts to be included with residential bills only. The Contractor must be able to provide insert printing services as well.

The City expects that all bills and reminder notices will be generated and delivered to the U.S. Postal Service (USPS) the same day that the billing data was transmitted to the vendor. The Contractor must ensure that proper postage is applied to the envelopes for mailing. Bills must be mailed via presorted first class mail to maximize postal discounts. Contractor must use the USPS Intelligent Mail Barcode for all outgoing mail pieces. The City should be able to verify proof of delivery to the USPS on an as-needed basis. Customer addresses must be validated and updated as necessary by the Contractor using Coding Accuracy Support System (CASS) USPS-certified software. The Contractor must provide National Change of Address (NCOALink) or Address Correction Service (ACS).

The City must be notified of the number of bills and reminder notices sent immediately following completion of the mailing. The Contractor needs to provide documentation for the use of postage monthly.

Upon mailing of the bills and reminder notices, a file containing the exact image of the bills and reminder notices be sent back to the City in a non-proprietary format (like Portable Document Format (PDF), Tagged Image File Format (tiff) or Joint Photographic Expert Group (jpg) format).

## **Document Archive**

The City requires all “valid” (bills not in error) bill images must be archived as Portable Document Format (PDF) files on the same day the bill files are received by the Contractor. This includes bills that are not printed based on requirements from the City. Archive files should be accessible to the City staff via an online interface. Bill images shall be stored for 24 months.

EXHIBIT B-1

COMPENSATION

Contract Term: July 1, 2014 through June 30, 2015

SERVICES	NEW RATE	VOLUME	AMOUNT
Dunning Laser Insert, Seal, Meter & Sort	\$0.10	11,559	\$1,132.78
Regular Additional Impressions	\$0.05	5,204	\$260.20
Regular Laser Insert, Seal, Meter & Sort	\$0.10	79,219	\$7,763.46
Dunning Search & Viewbill	\$0.02	11,559	\$173.39
Regular Search & Viewbill	\$0.02	79,219	\$1,188.29
Sub-Total			<b>\$10,518.11</b>
Monthly Fee @\$400 x12			<b>\$4,800.00</b>
Volume Allowance @ 10%			<b>\$915.64</b>
<b>TOTAL SERVICES AMOUNT</b>			<b>\$16,233.75</b>
<b>ESTIMATED POSTAGE COST</b>			<b>\$40,266.25</b>
<b>TOTAL NEW CONTRACT AMOUNT</b>			<b>\$56,500.00</b>